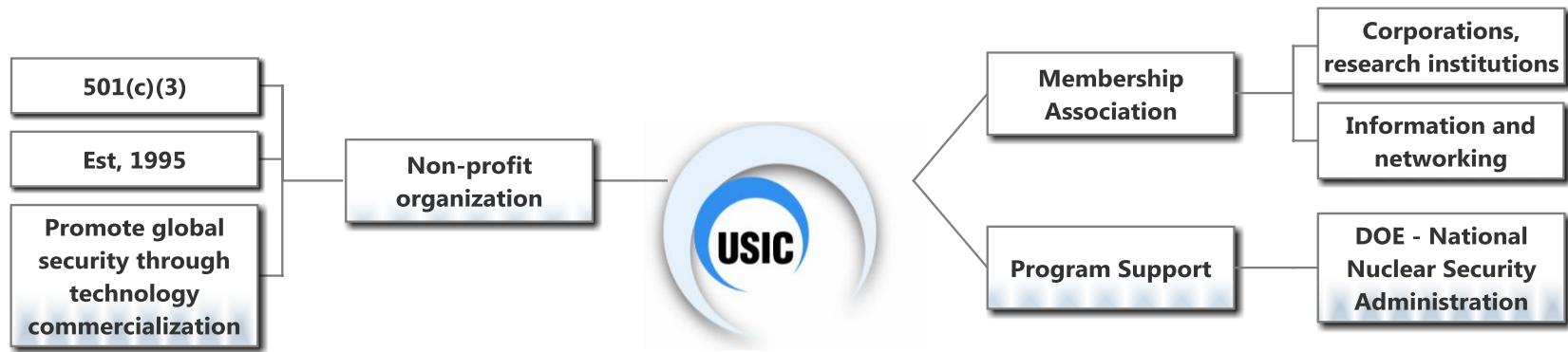


“A Tool in the Toolkit”: The Role of Private Industry in Nonproliferation Programs

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What is USIC?



In the nonprofit world, we sometimes speak about...

Doing **Good**

by

Doing **Well**

...meaning that in order to carry out their public purpose, nonprofits must also be run like businesses and watch their bottom line.

But what I am going to talk about today is...

Doing Well

by

Doing Good

...meaning that in well-designed programs, for-profit companies can pursue the profit motive while contributing to important public goals!

Why Industry?

- **It's global.**
- **It's where innovation happens.**
- **It understands the global market.**
- **It creates value.**
- **It creates jobs.**
- **It knows how to get things done.**
- **It plans beyond the next budget cycle.**
- **It attracts money that Government cannot.**
- **It's often there before Government.**
- **It has access to facilities and people that Government often does not.**
- **It takes risks that Government tends to avoid.**

Nonproliferation Program Approaches Involving Industry

- **Teaching commercialization skills**
 - Workshops, venture fairs
 - Follow-on activities
- **Sharing special expertise**
 - Best practices in specific areas – e.g., GmP
 - Designing secure facilities
 - Promoting security culture
- **Joint research**
 - Pre-commercial R&D projects
 - Equipment-sharing
- **Business**
 - Joint ventures
 - Contractual – research, supply, distribution

One Interesting Program

- **Global Initiatives for Proliferation Prevention (NNSA)**
- **“Industry projects” – public-private partnerships between FSU institute, DOE lab, private U.S. company**
 - **Policy goal – long-term engagement through job creation**
 - **Shared funding**
 - **USG: Funds work in FSU, oversight by national labs**
 - **U.S. Industry: 100% cost-share – tangible investment**
 - **Host Country: Varies; need more**
 - **Complementary incentives**
 - **USG: Reduce proliferation risks**
 - **U.S. Industry: Make money by access to highly qualified technical talent – “Doing Well by Doing Good”**

By the Numbers - Inputs

240

Projects

160

U.S. companies

\$10-20M/year

From U.S. Government

100%

Cost-share from U.S. companies

By the Numbers - Outcomes

180	Foreign* institutes
17,000*	Foreign* scientists and engineers
28%	Commercially successful projects
2,800	Civilian, commercially supported FSU jobs resulting
\$80 million	Revenue to FSU companies/institutes
\$170 million	Revenue to U.S. companies
\$284 million	Follow-on investments

Lessons Learned

- **One size does not fit all regions, goals – “A Tool in the Toolkit”**
- **Equitable contributions from U.S. and host country – not assistance**
- **Powerful leverage for attracting private funds for nonproliferation programs**
- **“Lessening the burden on government”**
- **Metrics**

Thank you!